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CENTRAL INTELLIGENCE AGENCY REPORT NO. [redacted]

INFORMATION REPORT

CONFIDENTIAL

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[redacted]

1. Chemical and Pharmaceutical Establishments, National Corporation (Lucebni a Farmaceuticke Zavody, n. p.).

   a. Director of this corporation is Dr. Dutko; deputy directors are Dr. Klein and Dr. Travnicek. The total number of persons employed is 800; about 200 of them are not engaged in chemical production but in felling and transporting trees which are used in the dry distillation of wood. The production realized yearly by the corporation amounts to 280-300 million crowns.

   b. The following factories belong to this corporation:

      1) Smolenice-Dobra Voda. This factory consists of two buildings which are connected with the railroad by a narrow-gauge line. Originally the dry distillation of wood was carried on in the Smolenice factory which is known as the Jozef Palffy Chemical Plant. The following items are being produced there: acetone, acetic acid, ethyl acetate, butyl acetate, various solvents, methyl alcohol, formaldehyde, wood oils, wood tars, and charcoal. The production of diacetonic alcohol and pentaerythrite is also planned but only on a small scale. Because its equipment is antiquated, the factory is unable to compete with other firms. It also suffers from a lack of solvents.

      The second building produces varnishes. It is relatively modern and has an output of up to 40 tons monthly. Part of the solvents produced in the first building is shipped out and part is used in the production of these varnishes.

      The production in both buildings for the period of a year amounts to 70-80 million crowns. The number of employees is about 250.

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2) Likier. This factory manufactures the same products as the Smolenice factory. It is better equipped, however, and its production is more economical. Its productive capacity is from 50-60 percent, sometimes 100 percent, higher than that of the Smolenice factory. The Likier factory employs from 300-340 persons and has a yearly return of about 100-120 million crowns.

3) Reichold and Blacking, in Bratislava. This factory produces from 80-100 tons of varnishes monthly. It employs about eighty persons and has a yearly output of from 60-80 million crowns.

4) Ruettgers Factory in Zilina. It produces pasteboard, including impregnated pasteboard, and railway ties. About 60 employees are employed.

5) Piestany. In this factory basic pharmaceutical preparations and cosmetic products are manufactured.

6) Hlohovec. Opium is extracted from poppies at this factory.

7) The most important of these factories are the ones at Smolenice, Likier, Bratislava, and Piestany.

c. The Two-Year Plan provides for a new factory for dry distillation in Eastern Slovakia. A previous estimate of the cost of building such a factory was about 150-200 million crowns. This project created a great controversy among some chemists and economists who believed it would reduce the value of wood. The Communists called this opposing view "reactionary" because they wanted this factory, but although the Communist point of view did prevail, the factory has not yet been started.

d. Research is concentrated on eliminating the weaknesses in chemical production and on improving existing methods of dry distillation. One important problem is to reduce the great quantities of waste occurring during the production of tar. Research is being done also on a softening-product called "Uresin"; varnish resins, especially Kaurit; "drying" castor oil; softening products of phthalic acid (zmekcovace-estery kyseliny ftalove); and pharmaceutical products.

2. Slovak Refineries, National Corporation (Slovenske Raffinerie, n. p.).

a. The Slovak Refineries in Bratislava are headed by Director Ing. Vesely; his deputies are Ing. Zanzotto and Dr. Rosen. The refineries employ about 1,000 persons, and realize approximately 600,000,000 crowns.

b. The Apollo refinery in Bratislava was seriously damaged by an air raid in 1943. It has been partly repaired but is still not in operation since a decision as to its ultimate function was difficult to reach. At first it was proposed that a new refinery be built in Bratislava under the Two-Year Plan because of the good transportation facilities available there. Military circles, however, opposed this suggestion, since they believed that Bratislava would be vulnerable to attack in the event of war. Trencin was then proposed and a new refinery was to be built there in 1949, but again constant disputes prevented determination of this problem. Accordingly, it was decided to repair the Apollo refinery, and up to 60,000,000 crowns are estimated to be required for this work.

c. In addition, a small experimental works near Handlova for the distillation of coal gas is to be built during the Five-Year Plan, and 50,000,000 crowns have been allocated for it. The Fischer-Tropsch system is to be used, and it is expected to consume 100-150 thousand tons of coal yearly. The machinery is to come from the US, although it is doubtful whether the factory can obtain the needed bills of exchange.

d. The production of synthetic ammonia is also planned. It is possible to handle both the distillation of coal gas and the production of synthetic ammonia at one plant, which may be the Novaky plant.

3. Dynamit-Nobel Chemical Plant in Bratislava.

a. Dynamit-Nobel is headed by Director Ing. Risa; his deputies are Hofman, Ing. Furdik, and Ing. Zavrel. Its main factories are as follows:

1) Bratislava. Director is Ing. Vesely, and his deputy is Ing. Zavrel. The factory employs about 3,500 persons and realizes about 400,000,000 crowns. Production consists of:

a) Sulphuric acid, about 30 tons daily.

b) Chlorsulphonic acid, about 2 tons daily.

c) Sulphur dioxide.

d) Sulphur sesquioxide.

e) Carbon disulphide.

f) Gerosan.

g) Vistra—viscose fibers, capacity, about 10-12 tons daily.

h) Nitroglycerine, capacity, 30 tons daily.

i) Nitroglycol, capacity, 30 tons daily.

j) Dynamite.

k) Ignition cords, detonating caps, etc.

In order to double the production of Vistra, a new factory is to be built at a total cost of 600-700 million crowns. Although this building was to be completed during the Two-Year Plan, it will not be ready before 1950 or 1951. The machinery is to be obtained from foreign sources, especially the US.

2) Senica. The factory produces viscose fibers. Its capacity is equivalent to 40 percent of the Bratislava factory, from which it receives carbosulphide.

3) Kostolany. The factory produces sulphuric acid and superphosphate and has approximately 120 employees.

b. Research is centered in the Research Institute at Bratislava, of which the chief is Dr. Nemec. The former chief, Dr. Kubis, was forced to leave the institute. Dr. Smrz, who was formerly active in Bata, has a subordinate position in the institute. Because of a lack of raw materials, research on viscose products and on explosive substances has been the principal target but without much success. Experiments in the production of "Gamexan" were fruitless because the addition of trieresyl phosphate, which is used in the production of war gas, did not prove effective.

c. Employees at Dynamit-Nobel number about 4,000-4,300, and the yearly output is about 600,000,000 crowns.

4. Chemical Production Works (Zavody pre chemicku vyrobu, n. p.).

a. These works are located in Bratislava, ul. Gorkeho 8. The director is Dr. Jaroslav Chorvath, the deputy director is Ing. Karol Fingerland. The following factories belong to the works:

1) Zilina, ul. Hviezdoslavo. Its director is Dr. Ing. Otakar Sira, and leading engineers are Ing. Balaz and Ing. Stary. Employees number 300; monthly turnover of production is about 6,000,000 crowns. Production includes sulphuric acid (contact), capacity about 20 tons daily, superphosphate, copper sulphate, and bearing metals. The production program covers:

a) Polyamide caprolactone. The Five-Year Plan allocates 40-50 million crowns to increase production from 10-15 tons monthly to 2-3,000 tons yearly.

b) 10-15 tons monthly of metacrystal resins, especially methylester. Production will be concentrated on varnishes and "spattering" substances. The Ministry of National Defense has shown a great interest in this production.

c) 20-30 tons monthly of Bakelit.

d) Kaurit. Production is to be increased from 40 tons monthly to 100 tons monthly. The wood industry needs 3,000 tons yearly.

e) Medical resins. Production is to be increased from 20 tons monthly to 100 tons monthly.

f) 10 tons monthly of chloracetic acid.

g) "Gamexan," to be produced at Zilina or Novaky.

h) 20 tons monthly of "Uresin."

2) Novaky. Director is Ing. Kosovlanin, deputy director is Ing. Jindra, and chief of the research department is Dr. Ing. Hrusovsky.

a) Production includes electrolysis of sodium chloride, capacity 40 tons daily; hydrochloric acid; trichloroethylene, 150 tons monthly; and hydrogen. Since the chlorine cannot be used, it is combined with hydrogen to form hydrogen chloride, which is then washed into the Nitra River. The amount of chlorine produced is 10 tons daily.

b) Future production:

(1) Vinyl chloride. According to the Five-Year Plan, production is to be increased by 1,000 tons yearly.

(2) Vinylidene chloride, to be increased by 1,000 tons yearly.

(3) Trichloroethylene, to be increased by 100 tons monthly.

(4) Tricresyl phosphate. It is planned to produce 1,000 - 15,000 tons yearly.

(5) Acetaldehyde. It is planned to produce 4,000 - 5,000 tons yearly.

(6) Acetic acid and acetic anhydride. It is planned to produce 1,500 tons yearly of each.

(7) Ethyl acetate, about 200 tons monthly.

(8) "Gamexan."

(9) Chlorine naphthalines, about 20-30 tons a month.

(10) Dichlorethane.

(11) Chlorhydrin. Military circles are very interested in this production because diglycol is derived from chrorhydrin. This project has been allotted 600,000,000 crowns.

(12) Synthetic nitrogen (NH_3).

(13) Conversion of calcium sulphate to ammonium sulphate. The sum of 130,000,000 crowns has been allocated for this project.

(14) A hydrogenation works, which is to use coal from the Handlova mines, is to be built at a cost of 50,000,000 crowns. This project depends upon the expansion of the coal mines in Handlova and the construction of an electric power works there. This electric works will consume 500 carloads of coal daily.

c) About 400 employees are employed in the Novaky factory, and the monthly output is 20-22 million crowns.

d) Raw materials: Mineral salt from subarctic Soviet Union, carbide from Handlova, and spirits from Ruzomberok.

3) Liptovsky Svaty Mikulas. This factory produces glue. It is to be modernized at a cost of 20,000,000 crowns.

4) Lupca. Produces inks and dyes and employs 40-50 persons.

5) Handlova. Produces carbide. The factory has a productive capacity of 30-50 tons daily but this capacity is not being fully utilized. Up to 2 tons of ferrosilicon is also produced daily.

6) Levice, produces soap and solidified fats.

7) Zemianske Kostolany. This factory originally produced war gases. It has several tunnels in a nearby mountain; two of these tunnels were damaged. The factory covers an area 2 km in width and 4-5 km in length. Since the factory has become unsuitable for its original function, a new chemical factory is to be built under the cover of peacetime production.